



Rhode Island Economic Update

January 28, 2016

Summary

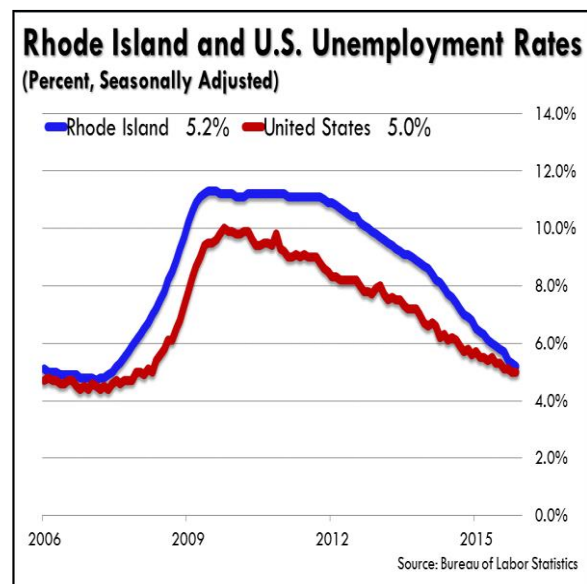
Nonfarm payroll employment in Rhode Island increased by 1,100 jobs and the unemployment rate decreased to 5.1 percent in December according to data released by the Bureau of Labor Statistics (BLS).

Rhode Island Unemployment Rate

During December, the unemployment rate in Rhode Island decreased to 5.2 percent. The number of people counted as unemployed decreased by 500 in December to 284,000, while the labor force decreased by 900 to 554,900.

The 10-year peak for the unemployment rate in Rhode Island was 11.3 percent in August 2009. The series high for the unemployment rate in Rhode Island occurred in August 2009 when the unemployment rate reached 11.3 percent. The 10-year low for the unemployment rate in Rhode Island was 4.7 percent in February 2007. The series low for the unemployment rate in Rhode Island occurred in May 1988 when the unemployment rate reached 2.9 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2006.



Rhode Island Payroll Employment

Rhode Island nonfarm payrolls increased by 1,100 jobs, or 0.2 percent, on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls increased by 2,100. Over the past 12 months nonfarm payrolls in Rhode Island increased by 8,400, or 1.8 percent. Rhode Island nonfarm payroll employment has increased in 8 of the past 12 months.

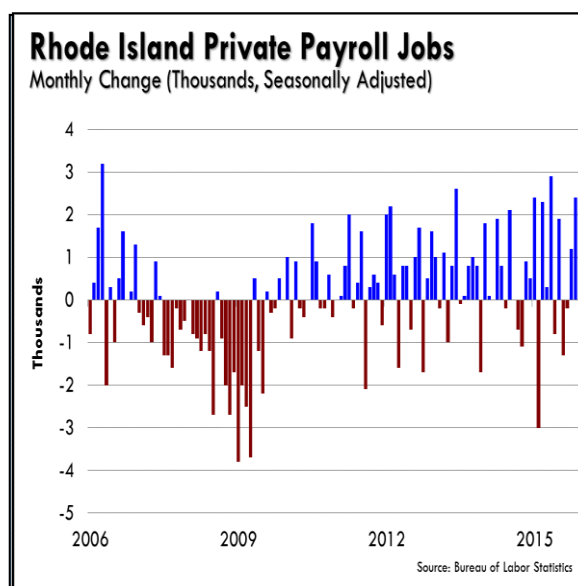
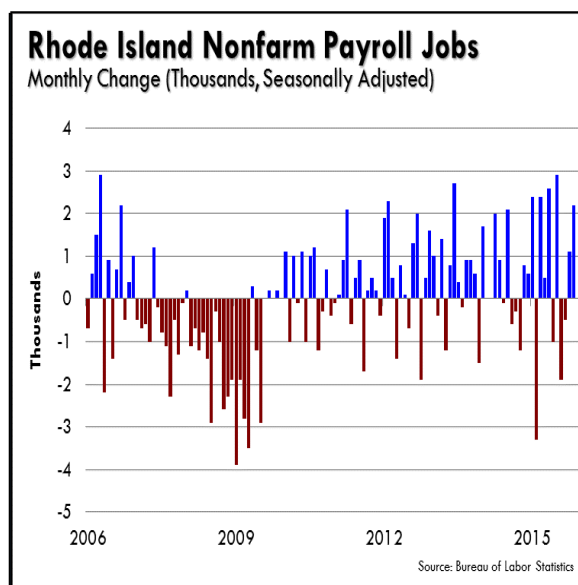
Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

During December, Rhode Island private-sector payrolls increased by 1,100, or 0.3 percent. Private-sector payrolls increased by 2,400 jobs in the prior month. Over the past 12 months, private-sector payrolls in Rhode Island increased by 9,200, or 2.2 percent. Rhode Island private-sector payroll employment has increased in 8 of the past 12 months.

Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in Rhode Island remained unchanged. Federal government payroll employment remained unchanged. State government payroll employment increased by 100, or 0.6 percent, while local government payroll employment decreased by 100, or 0.3 percent.

Over the past year, total government payroll employment decreased by 800, or 1.3 percent. State government payroll employment decreased by 200, or 1.2 percent. Local government payroll employment decreased by 500, or 1.5 percent.



The best performing sectors on a seasonally adjusted basis during December were construction (1,000) and personal and business services (500). The poorest performing sectors during the month were education and health services (-600) and hospitality and manufacturing (-100).

The best performing sectors during the last twelve months were personal and business services (4,200) and leisure and hospitality (3,000). The poorest performing sectors for the year were government (-800) and construction (-100).

Other Rhode Island Labor Force Statistics

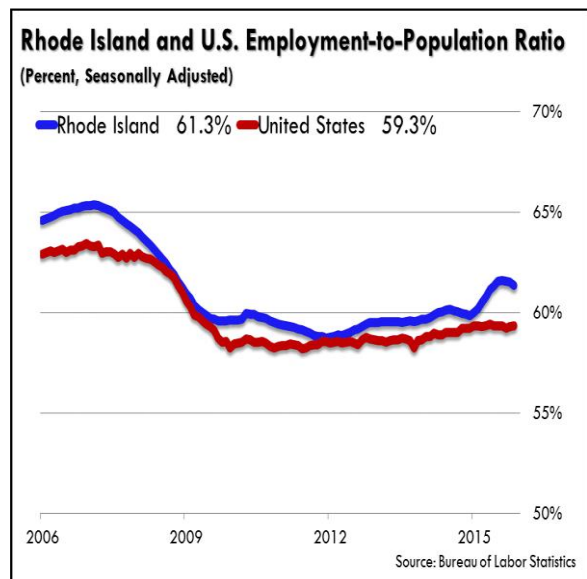
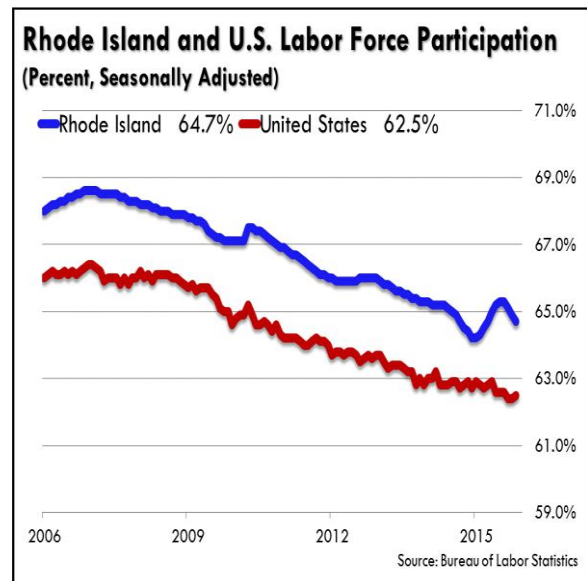
The labor force participation rate in Rhode Island decreased to 64.6 percent in December. The labor force participation rate in Rhode Island is increased from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Rhode Island was 68.6 percent in February 2007. The series high for the labor force participation rate in Rhode Island occurred in February 2007, when the labor force participation rate hit 68.6 percent. The 10-year low for the labor force participation rate was 64.2 percent in January 2015.

The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the Rhode Island civilian noninstitutionalized population 16 years and older counted as employed, decreased to 61.3 percent in December.

The 10-year high for the employment-to-population ratio in Rhode Island was 65.4 percent in February 2007. The series high for the employment-to-population ratio in Rhode Island occurred in February 1989 when the employment-to-population ratio hit 66.0



percent. The 10-year low for the employment-to-population ratio was 58.7 percent in December 2011. The series low for the employment-to-population ratio occurred in October 1976 when the employment-to-population ratio hit 57.5 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1 percentage point higher than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for January is scheduled for release on March 14th. The national employment situation report for January will be released on Friday, February 5th.